

MINUTES

POLICY DEVELOPMENT SESSION

MARCH 8, 2003

An adjourned meeting of the City Council of the City of Rolling Hills Estates was called to order at 8:10 a.m., at the City Hall Council Chambers, 4045 Palos Verdes Drive North, Rolling Hills Estates, by MAYOR RAUCH.

ROLL CALL

City Council Members Present: Addleman, Mitchell, Rauch, Seamans*, Zuckerman
*COUNCILWOMAN SEAMANS ARRIVED AT 8:23 A.M.

Staff Present: City Manager Douglas Prichard
Assistant City Manager Sam Wise
Community Services Director Andy Clark
Finance Director Jud Norrell
Planning Director David Wahba

PUBLIC COMMENT

Mike Russo, 9 Bridlewood Circle, noted he will now be serving on the CEQA Committee and would like to see these meetings continued. He also reported that the Chandler Reuse Committee will be meeting soon.

MAYOR PRO TEM MITCHELL indicated that the CEQA Committee is currently finalizing traffic thresholds and suggested that any further concerns be submitted to the COUNCIL in writing for review.

Bridget Carman, Larga Vista HOA, Coalition, addressed MAYOR PRO TEM MITCHELL'S comments, stating it was her belief that the CEQA process needs additional work.

Kirk Mueller, 29 Hitching Post, Georgette Canyon HOA, inquired about the property located at the southwest corner of Palos Verdes Drive North/Palos Verdes Drive East. He noted that he would like to request a committee be formed to review how the property will be utilized in the future.

City Manager Prichard indicated that the City is currently in negotiations with the Palos Verdes Peninsula Land Conservancy regarding a possible lease.

MAYOR RAUCH inquired if there was any negative impact to this neighborhood. Mr. Mueller responded that it has become a nuisance due to scattered debris along with unsightly buildings.

Ms. Carman stated that she believed this corner should undergo further analysis to determine if administrative buildings are appropriate at that site and discuss ideas for future use.

STATE-OF-THE-CITY REPORT

City Manager Prichard delivered the current State-of-the-City report outlining the accomplishments during the first six months of the fiscal year, as well as goals for the remainder of the year (as per agenda material). He reported on several items, including the current State budget crisis, extension of various maintenance contracts, capital projects, level of service provided by the County, etc. It was noted that capital projects have been scaled back due to the threat of the State eliminating key revenue sources for local cities. Additionally, City Manager Prichard reported that discussion took place at the recent Regional Law Enforcement Committee meeting regarding expansion of traffic enforcement by the Cities of Rancho Palos Verdes and Rolling Hills. His primary emphasis was on the question of whether needed

revenues would be available to undertake the programs and services under consideration.

PLANNING DEPARTMENT POLICIES DISCUSSION

Planning Director Wahba provided a staff report (as per agenda material). He distributed a rendering of the former McDonald's site for COUNCIL'S information.

MAYOR RAUCH inquired as to California Water Service's plan for installation of new water facilities. Assistant City Manager Wise noted that a copy of the draft Master Plan for Regional Facilities has been requested for review.

Brief discussion continued regarding potential water storage concerns on the Peninsula and how they should be addressed. COUNCILMAN ZUCKERMAN stated he was pleased that staff continually keeps the COUNCIL informed on how this issue is progressing.

Planning Director Wahba reported on the following agenda items:

1) Mixed Use Committee (Specific Plan) – Planning Director Wahba reported on the proposed Sunrise assisted-living project on Deep Valley Drive noting that an Initial Study is currently underway. He stated that amendment to the Mixed-Use Overlay Zone may be necessary. It was noted that the Initial Study will determine whether or not an Environmental Impact Report is undertaken.

Planning Director Wahba reported on the 655 Deep Valley Drive property indicating that this project is moving forward for review by the Mixed-Use Committee.

Planning Director Wahba reported on the 901 Deep Valley Drive property noting that this project is currently in progress as well and that the Mixed-Use Committee will meet and discuss all three projects.

Discussion continued regarding a specific plan for Deep Valley Drive. It was noted that a proposal was submitted by Stephanos Polyzoides at an initial cost of \$30,000 to formulate a scaled down specific plan for the Deep Valley Drive corridor.

COUNCILMAN ZUCKERMAN inquired if the applicants have reviewed the Deep Valley Drive Streetscape Plan. Planning Director Wahba noted that the proposal would include review of this plan as well.

COUNCILWOMAN SEAMANS reported that she met with the Mixed-Use Committee and believed a specific plan was necessary. She stated that Deep Valley Drive is a key location for mixed-use and believed Mr. Polyzoides should be retained as a consultant.

Brief discussion ensued regarding the \$200,000 designated for the streetscape project. It was noted there are federal funds involved, administered by the Metropolitan Transportation Authority, set to expire in 2007.

COUNCILWOMAN SEAMANS referred to CDBG funding and how it could be used for economic development. It was suggested that requirements for CDBG funding be provided for clarification.

Brief discussion ensued regarding a developer's role and costs associated with the project. City Manager Prichard noted that professional assistance in the urban design field is critical and suggested retaining a consultant as an "adjunct" staff member participating in the EIR process. It was noted if the COUNCIL desires to retain a consultant, a contract would then be submitted for review and approval.

COUNCILWOMAN SEAMANS suggested agendizing this item for a future meeting along with the CDBG requirements. Assistant City Manager Wise noted he will contact CalTrans regarding this funding up to 2007 and determine what the options are in terms of deferring that revenue and retaining the prerogative to undertake the project in the future.

2) Code Enforcement Policy – MAYOR RAUCH inquired as to the Animal Control Ordinance in regards to vicious animals. She noted the article placed in the City newsletter regarding coyotes was very helpful.

COUNCILWOMAN SEAMANS referred to the front yard coverage ordinance. Planning Director Wahba noted there is a front yard coverage requirement of 30%.

COUNCILMAN ZUCKERMAN suggested amending the setback language depending on the configuration of the lot. City Manager Prichard inquired if the COUNCIL wishes to have staff review this along with other items listed on the Planning Work Program. COUNCILMAN ZUCKERMAN suggested considering an intern to assist the Planning Department with the more routine duties. Planning Director Wahba noted that the intern could possibly handle the neighborhood compatibility studies. It was the consensus of the COUNCIL to place this item on the work program.

3) CEQA Guideline Revisions – Planning Director Wahba noted he recently received the traffic methodology from Willdan Associates and e-mailed this document to the various Committee Members. He noted he would meet with the Coalition or have them submit their concerns in writing. He noted that he had met with Kathleen Schwallie informing her that the traffic methodologies should be completed soon. He also noted that Ms. Schwallie proposed additional review of air quality thresholds and other standards for study by the CEQA Committee. It was noted that the Committee is set to terminate once the traffic methodologies are approved by COUNCIL. MAYOR PRO TEM MITCHELL suggested that the Committee consider additional items for study and present them to the COUNCIL for consideration. The cost of on-going studies could then be considered along with other budget requests. She suggested that, if funding allows, the Committee could meet on an as-needed basis.

4) First Look Preview of Large Projects – Planning Director Wahba noted that meeting with the applicant and providing direction early in the process has been ongoing. He noted that oftentimes it is difficult to move an application forward as the impacts are not yet known. MAYOR PRO TEM MITCHELL inquired as to how to improve communication between developers and residents. COUNCILMAN ZUCKERMAN noted that a developer should begin with informal meetings with City Officials then move on to formal public meetings allowing the public have a first look as well.

It was the consensus of the COUNCIL to leave this policy as currently exists and consider each application on a case-by-case basis encouraging the developers to work with the public at every opportunity.

Brief discussion ensued with a recommendation to have Mr. Polyzoides review the former McDonald's site.

5) General Plan Revision/Update – Planning Director Wahba noted that when comments are received from the Department of Housing and Community Development, he will work with the Housing Element and EIR thresholds. Once input has been provided by the consultant, it was recommended that the relationship be terminated when this project is completed.

6) Objective vs. Subjective Standards – Discussion ensued regarding the value of both objective and subjective standards in review of applications.

7) HOA Project Approval (Courtesy v. Ordinance) – Planning Director Wahba noted that the current policy works very well as the City does not require approval of a project by neighbors or an HOA, but rather that notice is provided as a matter of courtesy in those neighborhoods that have made it known they wish to review projects.

It was the consensus of the COUNCIL to leave this policy as currently exists.

8) Floor-Area Ratio/Buildable Lot/Parking – Planning Director Wahba explained the floor-area to ratio process as mentioned in the General Plan.

It was the consensus of the COUNCIL to consider a project with multiple parcels divided by major a arterial on each parcel's own merits instead of one project under neighborhood compatibility. Staff was directed to revisit the parking standards to include an applicant's own traffic study for City consideration and modify the Parking Ordinance.

MAYOR PRO TEM MITCHELL suggested having City Attorney Terzian list cases involved in church law.

9) Fencing/Horse Overlay Zone – Planning Director Wahba noted that the Municipal Code remains somewhat flexible in fencing on private property. Additionally, he stated that the City remains on a reactive rather than proactive approach as the City encourages the homeowners' associations to enforce their CC&Rs and leave the policy as currently exists.

10) Current and Advanced Planning Projects Update:

a) Housing Element Update (Advanced Planning) – Previously discussed.

b) Rolling Hills Covenant Church (RHCC) – Planning Director Wahba noted that a public hearing is scheduled before the Planning Commission on March 17, 2003.

c) Chandler's Reuse and Rolling Hills Country Club – Previously discussed.

d) Use of City-Owned Buildings S/W Corner PVDN/PVDE – After brief discussion, it was the consensus of the COUNCIL to form a committee to discuss utilization of that site once the lease expires in 2005. City Manager Prichard noted that staff will generate a proposed member list structure for COUNCIL approval.

e) Palos Verdes Landfill Golf Course Project – Planning Director Wahba noted that a consultant has been retained to assist in this project, i.e. analysis for health issues, the County process, and relocation of the City stables. City Manager Prichard noted that the County is expected to release an EIR in the next month or so and explained that the County has exempted itself from the City's zoning requirements. Upon speaking with Supervisor Knabe's Chief of Staff Fred Guido, he noted that their Parks Commission has had extensive experience on major park projects, and that they would review the project before it goes to the Board of Supervisors. Additionally, it was noted that Purkiss-Rose has submitted a proposal with regards to relocation of the stables and that an agreement will be submitted for COUNCIL approval.

f) Sunrise Assisted-Living – Previously discussed.

g) Remax Office Complex – Planning Director Wahba noted that a revised application has been submitted to the City. He also noted that a letter was sent requesting additional information. Once this information is received, an Initial Study will be undertaken.

h) Butcher 12-Lot Residential Subdivision – Nothing further to report at this time.

i) Pepper Tree Lane – Planning Director Wahba noted that most of the housing units are sold out.

j) The Avenue of the Peninsula – Planning Director Wahba noted this project continues to move forward.

11) Ongoing Special Projects Update:

a) Neighborhood Compatibility Studies – Planning Director Wahba noted this project has been deferred.

b) Adult Business Ordinance – Planning Director Wahba noted that standards need to be formulated in the event an application is submitted for an adult-oriented business and will continue to list this on the work program.

c) Outdoor Display Ordinance – Planning Director Wahba noted this item is listed in the work program.

d) Sign Ordinance Revisions – Brief discussion ensued regarding the possibility of allowing banners/signs on a case-by-case basis.

(e) Parking Ordinance Revisions – Previously discussed.

(f) Mixed-Use Overlay Ordinance Revision – It was noted to have the City work with Mr. Polyzoides for follow up at a later date.

(g) Broadacres Preschool CUP (4-Year Term Limits for Schools in Residential Zones – After brief discussion, it was the consensus of the COUNCIL to treat schools equally in residential zones and send a letter to all schools informing them of four-year term limits on CUPs at a fee of \$600. Additionally, it was the consensus of the COUNCIL to direct staff to review a longer term CUP process.

(h) Tree Preservation Ordinance – After brief discussion, it was the consensus of the COUNCIL to refer this item to the Park and Activities Commission as the deciding authority on potential conflicts.

FINANCE DEPARTMENT POLICIES DISCUSSION

Finance Director Norrell provided a staff report (as per agenda material).

1) General Fund Building Replacement Assessments/Fund Balance Policy – Finance Director Norrell provided an extensive overview as per agenda material.

COUNCILMAN ZUCKERMAN suggested Finance Director Norrell work with Moreland and Associates to determine how overfunded the City is in the building replacement costs. It was noted that if the buildings needed to be replaced, the City would not be in a position to cover this tremendous expense.

Finance Director Norrell noted he would like to address the Building Replacement Fund with Moreland and Associates.

Extensive discussion ensued regarding clarification of PERS funding with consensus that a rate stabilization reserve be established similar to the insurance reserve set up for the JPIA. It was noted that the amount of \$270,000 designated in the General Fund for fixed asset replacement may be applied to this purpose. It was noted that a recommendation will be submitted for COUNCIL review at the Budget Study Session.

MAYOR PRO TEM MITCHELL noted she is serving on the League of California Cities Employees Relations Committee and suggested the City might be interested in researching alternatives for medical benefits. It was noted that she will discuss this information with Assistant City Manager Wise.

2) Investment Policy – Finance Director Norrell recommended increasing investments to LAIF by 100% as they provide greater yields at this time.

It was the consensus of the COUNCIL to revise the Investment Policy and allow 100% contribution to LAIF bringing it back for COUNCIL approval as part of the budget process.

3) Business License and Building Permit Revenues – Brief discussion ensued regarding building permit fees.

4) Capital Project Priorities: Budget/Mid-Year/State – COUNCILMAN ZUCKERMAN inquired as to resurfacing projects for the coming year. Assistant City Manager Wise indicated that the City has no plans for the current fiscal year.

COUNCILWOMAN SEAMANS inquired as to which streets are determined to be in need of resurfacing. Assistant City Manager Wise noted that a pavement analysis is conducted each year. He also noted that the Dapplegray and Strawberry Lane tract has been deferred to the next fiscal year as approved by COUNCIL.

COUNCILWOMAN SEAMANS noted that the City must remain cautious with regards to implementing projects as funds may not be available next year if the VLF funding is eliminated.

City Manager Prichard indicated that a letter was sent to the Peninsula cities regarding Proposition C funding for transit improvements on fixed routes.

Assistant City Manager Wise noted that the City could proceed with design and bid of a project and

come back in the spring for award of bid with alternatives once the financial picture begins to clear.

City Manager Prichard suggested consideration of a zero-based budget in order to keep operating costs at a minimum.

COUNCILMAN ADDLEMAN reiterated the following priorities: 1) Law enforcement; 2) Street repair; 3) Tree trimming; 4) Current Planning; and 5) Parks and recreation.

It was the consensus of the COUNCIL to eliminate funding for undergrounding utilities on Palos Verdes Drive North and consider all items on an as-needed and funding availability basis.

Brief discussion ensued regarding possible negotiations of a boundary adjustment of selected streets located in the City of Rancho Palos Verdes in the commercial district.

City Manager Prichard noted that he has eliminated staff travel at this time as another cost-saving measure, and that the vacant Senior Planner position will not be filled at this time.

COMMUNITY SERVICES DEPARTMENT POLICIES DISCUSSION

1) Pepper Tree Foundation Funding Approval Levels – After brief discussion, it was the consensus of the COUNCIL to require approval by the Pepper Tree Foundation Board of Directors only for expenditures over \$2,500.

2) View Restoration Ordinance vs. Guidelines – Community Services Director Clark noted that guidelines have been provided for COUNCIL'S review.

3) Utility and City Street Tree Pruning Procedures – After brief discussion, it was the consensus of the COUNCIL to leave the policy as currently exists.

4) City Celebration and Community Events – After brief discussion, it was the consensus of the COUNCIL to consider holding a scaled back entertainment/barbecue dinner every year with a large scale celebration to take place on the City's anniversary every fifth year.

City Manager Prichard inquired as to the Park and Activities Commission's consensus. Community Services Director Clark noted they concurred with the aforementioned suggestion.

Community Services Director Clark noted he will bring back a recommendation from the Park and Activities Commission regarding the City Celebration.

After brief discussion, it was the consensus of the COUNCIL to continue with the Holiday Parade.

*COUNCILWOMAN SEAMANS left at 4:32 p.m.

5) Municipal Stables Relocation – Previously discussed.

6) Americans with Disability Act Transition Plan – Community Services Director Clark distributed the ADA Transition Plan to the COUNCIL. He noted this time will be considered for adoption at the March 25, 2003 meeting. He thanked the Committee Members for their efforts in formulating this plan. Additionally, he noted that a grant from Prop 40 funds in the amount of \$200,000 was received on a per capita basis designated for ADA improvements.

Community Services Director Clark inquired if the COUNCIL was interested in pursuing a state/local match grant under the Roberti-Z'berg-Harris Bond Act. It was the consensus of the COUNCIL to proceed with this request.

ASSISTANT CITY MANAGER POLICIES DISCUSSION

1) Street Maintenance Program – Previously discussed.

- 2) PVDN Underground Utility District – Previously discussed.
- 3) Deep Valley Drive Streetscape – Previously discussed.
- 4) Wireless Communications Permit Update – Assistant City Manager Wise noted that the City is in a position to require an EIR if the wireless communications providers do not agree with the required mitigation measures developed by staff and consultants. He noted that antennas will be installed on several poles over the next few months.

City Manager Prichard thanked Assistant City Manager Wise for his diligent research on this project.

- 5) California Water Service Improvements – Previously discussed.
- 6) Refuse/Recycling Franchise Renewal – Assistant City Manager Wise recommended that a consultant be retained with that cost to be included in the cost of the bid by the successful provider.
- 7) Suggestions from the City Council/HOA President's Meeting
 - a) RHE Entry Sign at PVDE @ RPV: It was noted to defer discussion to consider this at the annual budget review.
 - b) PVDN Congestion – Council received a report on various studies and actions taken over the past several years to improve circulation.
 - c) PV Transit – Discussion ensued regarding possible development of a subscriber supported school bus system separate from PV Transit, but administered by the Transit Authority.

CITY MANAGER/CITY CLERK POLICIES DISCUSSION

- 1) 2004 Policy Development Session – After brief discussion, it was the consensus of the COUNCIL to set March 6, 2004 for the next Policy Development Session.
- 2) HOA Presidents Meeting – After brief discussion, it was the consensus of the COUNCIL to follow the same format and set the meeting for the first week in February.
- 3) Ethics Tape – City Manager Prichard noted this tape is available for check out.
- 4) Anti-Gang Ordinance – It was the consensus of the COUNCIL to consider adopting this ordinance.
- 5) County Golf Course/Stables Relocation – Previously discussed.
- 6) Neighborhood Watch – City Manager Prichard noted that many neighborhoods are interested in the Neighborhood Watch Program due the heightened awareness in homeland security. He noted that Administrative Analyst Grammer will contact the Lomita Sheriff's Station to obtain information on this program for the homeowners' associations. Additionally, he noted that a meeting will be held by the Lomita Sheriff's Station at the end of the month.

CLOSED SESSION – PERSONNEL MATTERS

Following Closed Session, it was noted that staff will prepare the appropriate documentation for negotiations with the Employees' Association.

ADJOURNMENT

At 5:20 p.m., MAYOR RAUCH adjourned the Policy Development Session to the next regularly scheduled

meeting on Tuesday, March 11, 2003 at 7:30 p.m. in the City Hall Council Chambers.

Submitted by, Approved by,

Hope J. Nolan Douglas R. Prichard
Deputy City Clerk City Clerk